

# COMPETITIVE PROCUREMENT EXEMPTION POLICY

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## Document Control - Change Record

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## Contents

1	Policy Statement .....	2
2	Introduction .....	2
3	Exemption from Competitive Procurement .....	2
4	Competitive Procurement Exemption List.....	3

# COMPETITIVE PROCUREMENT EXEMPTION POLICY

## 1 Policy Statement

The procurement of goods and services for and/or by the City of London Corporation must comply with the City of London Procurement Code, Financial Regulations and associated procurement policies.

This document establishes the circumstances where the competitive procurement of works, services and/or supplies is not required.

## 2 Introduction

The objective of this policy is to support adherence to the City of London Procurement Code and best practice in procurement in relation to the competitive procurement of opportunities with the City of London.

This policy identifies items (or categories of expenditure) where it has been agreed that they are exempt from requiring officers to undertake a competitive procurement process in the form of the seeking of quotations or a formal invitation to tender. This policy applies to all expenditure above £10,000 in accordance with the application of the Procurement Code.

For an item to be considered to be exempt, it must be presented to the City Procurement Steering Group for agreement. Any item or category of expenditure deemed to be exempt from competitive procurement will be reviewed on a regular basis, and the approved exemption list will be amended as required.

The decision to apply the Competitive Procurement Exemption Policy to any item or category of expenditure at a departmental level is not mandatory. Where an exemption has been agreed, it is the responsibility of each department to decide whether or not to apply the policy in their area. For example, should a department wish to obtain three quotes for an item which is on the exemption list they are able to do so.

The Policy is subject to regular review and change subject to the approval of the Procurement Steering Group and Finance Committee.

## 3 Exemption from Competitive Procurement

### What does the exemption relate to?

An exemption from competitive procurement does not constitute an exemption from the Procurement Code in its entirety. All parts of the Code that do not directly relate to competitive procurement continue to apply and must be adhered to.

An exemption from competitive procurement does not make an item exempt from requiring a purchase order. Please see the Purchase Order Exemption Policy for details of items or expenditure that are exempt from requiring a purchase order.

### How do exemptions work?

Officers must be aware that certain exemptions only apply where the expenditure is below the specified threshold. Where expenditure exceeds this threshold City Procurement must be contacted for further guidance.

Where an exemption has been identified a waiver form will not be required.

Exemptions do not apply for any item which is available via an existing corporate contract. Any deviation from a corporate contract will require a waiver.

#### 4 Competitive Procurement Exemption List

Below is a list of approved Competitive Procurement exemptions.

**The exemption code must be entered in full and using capital letters into the Notes to Buyer field of the requisition. Any requisitions requesting exemption that do not provide this will be returned.**

The following Items are not considered to be procurement activities / expenditure:

- Rates, Rent and Refunds
- Performance / Concert settlement fees
- Payments for applications (e.g. planning application)
- Charitable donations
- Grants / grant payments (outgoing)

Property	Description	Threshold Limit	Exemption Code
Acquisition and Rental	The acquisition or rental, by whatever financial means, of land, existing buildings or other immovable property, or which concern interests in or rights over any of them.	None	ECP001
Property Agents	Property agents for the direct purchase, rental or sale of land, existing buildings or other immovable property, e.g. when a fee is payable to a property agent for a building that the City is purchasing. (This exemption does not apply to instances where the City is seeking agents to act on our behalf, e.g. for rental appointments)	None	ECP002

Legal Services	Description	Threshold Limit	Exemption Code
Arbitration or Conciliation Services	The provision of arbitration or conciliation services.  The appointment of ALL arbitration or conciliation services must be conducted via Comptroller and City Solicitors department.	None	ECP003

Appointment of Counsel	<p>Legal representation of a client by a lawyer; judicial proceedings before the courts, tribunal, public authority or internal courts; legal advice given in preparation of any of these proceedings.</p> <p>The appointment of ALL legal counsel must be conducted via City Comptroller and Solicitors. Therefore the use of this code must be authorised by Comptroller and City Solicitors department.</p>	None	ECP004
Document certification and authentication	Services that must be provided by notaries.	None	ECP005

Professional Services	Description	Threshold Limit	Exemption Code
Expert Witness	Retaining of expert witnesses for evidence (e.g. judicial proceedings or written statements).	£50,000	ECP006
Medical reports or consultation	Provided by General Practitioners or Independent Registered Medical Practitioners for the City of London Police or Occupational Health.	£50,000	ECP007
Corporate membership with a professional body	Professional memberships held by the organisation, e.g. CIPFA (Chartered Institute of Public Finance & Accountancy)	£50,000	ECP008
Financial Services	Financial services as specified in Directive 2004/39/EC; central bank services and loans.	None	ECP009

Creative Services and Media	Description	Threshold Limit	Exemption Code
Work of Art or Artistic Performance; Creative Production Support Staff and Artist providing creative workshop or masterclass	<p>Creation or acquisition of a unique work of art or artistic performance.</p> <p>Please note that 'art' is taken to mean all forms of art including but not limited to painting, sculpture, music, dance and drama.</p> <p>Please note that photography services for general purposes are not exempt, e.g. for marketing. A photographer who is retained as an artist, e.g. in hosting an exhibition is exempt.</p> <p>Retaining of creative production support staff, whereby they are the only individual who can fulfil the creative requirements for the production or their use is a contractual requirement of the main artist.</p> <p>Retaining of an artist to deliver a workshop or masterclass for educational purposes or</p>	None	ECP010

	as part of a public event.		
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<b>Schools</b>	<b>Description</b>	<b>Threshold Limit</b>	<b>Exemption Code</b>
Examination Board	All school examination boards.	None	ECP011

<b>Police</b>	<b>Description</b>	<b>Threshold Limit</b>	<b>Exemption Code</b>
The Police Act 1996 (equipment) and The Police Act 1996 (services)	Where the Secretary of State, the Home Office and the Crown Commercial Services has awarded or approved national Police framework agreements for the provision of equipment or services mandated in accordance with the above regulations they must be used by the City of London Police.	None	ECP012

<b>Chamberlains Court, Mayoralty and Remembrancer's</b>	<b>Description</b>	<b>Threshold Limit</b>	<b>Exemption Code</b>
Diplomatic Gifts	All diplomatic gifts (where the City purchases the gifts)	None	ECP013

<b>General</b>	<b>Description</b>	<b>Threshold Limit</b>	<b>Exemption Code</b>
Specialist speaker	A leading or specialist speaker in a given field who is retained for a single or limited number of events.	£50,000	ECP014
Sheltered accommodation / residential services	Urgent and/or short term accommodation provided by the Department of Community and Children's Services.	Up to OJEU threshold for services	ECP015
Residential care or supported living provision	Residential care or supported living provision for individual service users where those users or anyone acting on their behalf have a choice in the type of location of the provision to meet their needs under the Care Act 2014.	Up to OJEU threshold for services	ECP016
Contracts assigned to City (novated)	Contracts which have been procured by a third party and assigned to the City following the acquisition by, or reversion to, the City of long leasehold interests or the acquisition of freehold interests.	Date of contract expiry	ECP017

Public Transport	Public passenger transport services by rail or metro.	None	ECP018
Utility Services Road and Street Works	Works conducted by utility companies under the New Roads and Streets Works Act.	None	ECP019

<b>Single Supplier and Exclusive Rights</b>	<b>Description</b>	<b>Threshold Limit</b>	<b>Exemption Code</b>
Copyright	All payments relating to copyright.	None	ECP020
Film Hire and Distribution	All payments for the hire and distribution rights for all films.	None	ECP021
Protection of intellectual property rights	All payments required for the protection of intellectual property rights.	None	ECP022
TV and Radio Licenses	All license payments for TV and Radio.	None	ECP023

<b>Research and Development</b>	<b>Description</b>	<b>Threshold Limit</b>	<b>Exemption Code</b>
Research projects	Research projects approved by the Policy and Resources Committee which require a bespoke approach due to external commissioning or data sensitivity.	£50,000	ECP024

<b>Partnership Contracts</b>	<b>Description</b>	<b>Threshold Limit</b>	<b>Exemption Code</b>
In-house awards ('Teckal' arrangements)	Where a contracting authority awards a contract to an entity which it controls, for example wholly-owned subsidiaries.	None	Please Contact City Procurement
Inter-authority cooperation ('Hamburg Waste' arrangements)	Where two or more contracting authorities come together to deliver a public service with a view to achieving objectives they have in common. This exemption will only apply where the cooperation is implemented in a manner governed solely by public interest considerations, and where the participating authorities perform less than 20% of the activities covered by the cooperation on the open market.	None	Please Contact City Procurement

Non Lead Contracting Authority	<p>Where the City of London is engaged in a partnership whereby another party is acting as the lead contracting authority. All procurement should be conducted in accordance with the contracting authority's procurement regulations.</p> <p>Please note that externally funded contracts are not exempt where the City is the contracting authority.</p>	None	Please Contact City Procurement
Reserved Contracts	<p>The City of London may reserve to qualifying organizations, e.g. employee mutuels, the right to participate in reservable public contracts.</p>	None	Please Contact City Procurement

Emergency Provision	Description	Threshold Limit	Exemption Code
Extreme Urgency	<p>Where, for reasons of extreme urgency brought about by events unforeseeable, time limits for competitive procurement cannot be complied with. E.g. in the event of a natural disaster or act of terrorism.</p> <p>In this event please contact City Procurement.</p>	None	Please Contact City Procurement

Grants	Description	Threshold Limit	Exemption Code
Grants	<p>A grant must fall within the following definition:</p> <p>“A sum of money given voluntarily to a particular person for a particular purpose/s. A grant is usually made to another person or organisation to fund the organisation’s normal activities. (This is in contrast to a procurement whereby the contracting party sets out the terms of reference for a project which it wants to be carried out by another party.) Grant beneficiaries will generally be non-profit-making. Grants are usually made in accordance with an established policy, and that policy provides a transparent framework for objective decision-making in awarding/allocating the grants (i.e. equal treatment of applications/recipients).”</p>	None	ECP025